

THE WEATHER
Washington, Jan. 23.—Probably rain tonight and Friday, lower temperature.

TEMPERATURE AT EACH HOUR	
8	9
10	11
12	1
2	3
4	5
6	7
8	9
10	11
12	1
2	3
4	5
6	7

Evening Bulletin

NIGHT EXTRA
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"REMARKABLE," COURT CALLS MAYOR SMITH'S RETENTION OF WILSON

Comments on Refusal to Transfer Police

COUNSEL'S ROW BRINGS REMARK

Stern Chief Witness at City Executive's Fifth Ward Trial

DECLARES HE WARNED OF COMING BLOODSHED

Telephoned to Shore, Urging Action to Curb Activity of Gunmen at Primary

Important developments today—the second—in the trial of Mayor Smith accused of conspiracy to violate the Sherman act and misdemeanor in office, follow:

Mayor Smith's refusal to dismiss Director of Public Safety Wilson from office after the latter did not carry out the Mayor's orders to transfer policemen was characterized as "somewhat remarkable" by Judge Audenried.

Testimony by Joseph Calhoun, patrolman of the Third district, that Lieutenant David Hennett, of that district, said: "The Mayor and Director Wilson are with us in the Fifth Ward. The sky is the limit."

An effort by counsel for the defense to absolve Mayor Smith from any responsibility for police affairs in the Fifth Ward.

Report Is Demanded
A demand by Assistant District Attorney Taulane for the production in court of the confidential report made to the Mayor by Captain of Detectives Souder of conditions in the Fifth Ward. This report was made in 1917, about the time of the Fifth Ward murder. Mayor Smith was adjudged guilty of contempt some time ago for refusing to produce these records.

Testimony by former Magistrate James A. Carey, Penrose leader of the Fifth Ward, that in a conversation, Mayor Smith said to him: "Jim, to be perfectly frank with you, I'm the one who started the Vares affair."

Testimony by former State Representative Isadore Stern, first witness that the "Carey letter" warning the Mayor of Fifth Ward conditions had not been written by Carey, but had been prepared in the office of Judge James G. Gordon. Mr. Stern, who has been called by the defense the "real prosecutor" in this case, said he warned Mayor Smith of the bloodshed in the Fifth Ward before the 1917 primary.

The trial is in Quarter Sessions Court, before Judge Audenried, in Room 653, City Hall.

Mayor Jauntily Dressed
Mayor Smith appeared in court at 9:57 o'clock this morning jauntily attired. A minute later the jury filed in. The jurors said they had passed comfortably over the case and had been locked up since last evening.

Mr. Smith's counsel were all present when the proceedings began. They are James Scarlett, chief counsel for the defense; John R. K. Scott and William T. Connor.

Assistant District Attorneys Taulane and Gordon were present for the prosecution. District Attorney Rotan did not appear this morning.

Mr. Smith and Mr. Scarlett occupied adjoining chairs. The Mayor got up once and walked over to the witness stand at the time was talking with Joseph P. Gaffney, chairman of Council Finance Committee. Mr. Scott looked up and the Mayor whispered to him and then walked away.

In doing so he passed the reporters' table. He tried to move a chair at this table, but discovered that they were all fastened together. "They're tied down, Mr. Mayor," some one said, with a laugh, and a court officer hurried up to find Mr. Smith another seat.

ISADORE STERN ON THE STAND



Drawn by EXPRESS PUBLIC LEADER STAFF ARTIST. A courtroom sketch of the first witness called today in the trial of Mayor Smith on conspiracy charges.

CITY'S AUTO TAX PLAN HITS SNAG

Rural Members of Legislature Oppose State Giving Up Fees

SENATOR OFFERS BILL

By a Staff Correspondent
Harrisburg, Jan. 23.—Rural members of the Legislature will oppose any plan to have the State turn over to the city treasuries of Philadelphia and Pittsburgh motor license fees collected in those cities.

A bill introduced by Senator Buckman, of Langhorne, president pro tem of the Senate, is expected to prove the first big snag in the way of the plan formulated by the Legislative Committee of Philadelphia City Councils to have this money turned over to the city.

At a recent meeting of the committee the announcement was made that it would open headquarters here to cooperate with similar bodies from Pittsburgh, and possibly Scranton, in an attempt to have the State relinquish the motor license fees collected in those cities.

Predicts Stern Opposition
Senator Buckman declares that this plan will meet with the undivided opposition of all rural members, who will demand that the money be used in improving and maintaining the State highway system.

"If the State were to return to those cities their motor license fees," said Senator Buckman, "it would reduce the present State revenue from that source to about one-half."

"The amount received now is inadequate and an appropriation by the Legislature to maintain and improve existing highways and pay the interest and sinking charges on the \$50,000,000 bond issue which will be floated by built new roads. The Motor Federation of Pennsylvania understood to have planned to fight the Buckman bill with a measure of its own, but the latest report is that an agreement may be reached on the measure introduced by Senator Buckman."

N. Y. ASSEMBLY TO VOTE "DRY"

Ratification Made Party Measure by Republican Caucus
Albany, N. Y., Jan. 23.—(By A. P.)—Adoption by the New York Assembly of the Thompson-McNah resolutions to ratify the Federal prohibition amendment was virtually assured today, when the Republican majority, after a caucus, voted, 74 to 5, to make the resolution a party measure.

Subsequently the caucus action was made unanimous. Seventy-six affirmative votes are necessary for adoption. The first action of the Assembly after the caucus was to kill the McCullough reform bill, which was recommitted.

Today's Developments at National Capital

Debate on the \$100,000,000 famine relief bill resumed in the Senate.

Armour & Co's counsel tells the House committee Federal trade commission's packing investigation was absolutely ex parte.

Private ownership of merchant marine favored by conference of shipbuilders, owners, operators and employees.

Julius Kruttschnitt, chairman of Southern Pacific, tells Senate Commerce committee public opinion and railroad attitudes have changed respecting sharing of facilities by carriers.

COST OF SHIPS AT HOG ISLAND IS DECREASING

Estimates for First Vessel \$324 a Ton, but Later Boats Only \$212

Cost of ships at Hog Island has decreased since the first vessel was launched several months ago, Charles P. Fox, of the Emergency Fleet Corporation, today told the Senate Commerce Committee in Washington.

Mr. Fox presented a table showing that while the first vessel cost \$324 a ton, later vessels from \$212 to \$214 a ton, the thirtieth will cost only \$212 a ton.

WOULD MAKE BARS CANTEENS

Germentown Woman Offers Plan for Prohibition Time

The "family entrance" sign may have a permanent place over the doors of present day saloons if the plan of Miss M. E. Romney, who has frequented them since they have been frequented, is adopted by Philadelphia church women. Members of the women's auxiliary of the Episcopal diocese of eastern Pennsylvania are considering the plan.

"When saloons close," declared Miss Romney, "the women who have frequented them must have some place to go. It would be well for the church to supply social centers where the women and women may gather for wholesome amusement. If the saloons were turned into canteens or social centers, many of the matrons and young women who have been doing war work could be put in charge. The women have been trained; they are organized, and eager to go on with welfare work."

Miss Romney suggested that the social center include a night nursery where small children could be cared for while their mothers were being entertained at the canteens.

A soda fountain, lunch room, motion picture and a general refreshment area suggested as features to be included in the canteen.

INFLUENZA Baffles Doctors

Increase in Some Places, Decrease Elsewhere Mytifies Medical Men

Washington, Jan. 23.—With influenza on the increase in many States and slightly decreased in others, the United States Public Health Service officials are still baffled by the epidemic. It was admitted today.

The week ended January 18 showed an increase of 25 per cent in the disease in army camp zones over the previous week and a general increase in Alabama, Arkansas, Connecticut, Florida, Louisiana, North Carolina, Oregon, South Carolina, Vermont, Virginia and Washington.

Decrease in the number of cases reported from California, Indiana, Iowa, Kansas, Maine, New Jersey, Ohio and Oklahoma was noted.

"We can't tell where to expect a spread of the disease, nor whether it will be severe or mild," said an official, "but the epidemic has been spreading in every week from all the States and rises and falls that may or may not be the result of atmospheric or weather conditions."

FUEL BOARD TO QUIT

William Potter Plans to Close Office February 28

William Potter, State fuel administrator, this afternoon announced he was preparing to close the local office of the fuel administration February 28.

The fuel administration has been entirely excluded with the exception of a few plants where gas engines are installed and these are limping along on a very much reduced supply.

SERB BUREAU SAYS U. S. FLAG WAS LOWERED

Accuses Italians of Hauling Down American Colors From Ship

Washington, Jan. 23.—(By A. P.)—According to a report made public today by the Official Information Bureau of the Kingdom of the Serbs, Croats and Slovenes, a Serbo-Croatian vessel, the Dinara, flying the American flag and having a navigation license issued by the American naval commander in the Adriatic, was seized at Jela, Jan. 16, by Italian forces, who hauled down the American flag and carried off the ship under Italian colors.

"In spite of the flag and papers in order," says the bureau statement, "the commander of the Italian troops in Jela ordered the captain of the vessel to follow him to the military port, where he was arrested and held for three hours. During this time the Italian commander informed his superior officer in Star Grad (Vittoria Veneto), who arrived soon with armed soldiers. They seized the vessel, the Dinara, and the commander of the Italian troops, who was being shipped by ship to Trieste in 1888. There are no records of her recent movements."

Man Burned by Furnace Gas Blast

One Killed, 43 Injured at St. Luke's Hospital

There is no confirmation of the foregoing dispatch from the State Department, which presumably would be fully informed of such an incident as that recorded.

Man Burned by Furnace Gas Blast

One Killed, 43 Injured at St. Luke's Hospital

PEACE ISSUES DISCUSSED BY HIGH COUNCIL

Labor, Reparation and Punishment Among Questions Before Premiers

PRESIDENT RESERVES U. S. LEAGUE DRAFT

Will Devote Himself to Reconciling Clashing Views on Covenant

OWN PLAN COMPLETED

Allied Congress Will Meet Saturday to Consider Britain's Proposals

Sees Preliminary Peace Pact Signed Early in June

Paris, Jan. 23.—(By A. P.)—The preliminary peace will be signed early in June at the latest, according to most trustworthy information, says Marcel Hutin in the Echo de Paris today.

Paris, Jan. 23.—The Supreme War Council, it was officially announced, today discussed the following subjects in preparation for Saturday's meeting of the general Peace Congress:

International labor legislation.

Responsibility and punishments in connection with the war.

Reparation for war damages.

An international regime for ports, waterways and railways.

Procedure for adoption of territorial questions.

It was also announced that the council will meet again tomorrow, and that Marshal Ferdinand Foch, Chief of Staff and General Diaz, as well as the Versailles military representatives of the associated Powers, will be present.

May Recognize Poland
The Supreme Council met at 10:30 o'clock today. The joint Allied commission is being made up, although no names have been announced. All the members of the council were present when the new government of Poland was recognized.

The recognition of the new government of Poland is expected here. Action to this end, it is believed, will be taken shortly.

British Plan First
It is regarded as quite imminent in circles surrounding the Peace Congress that it should be announced that the first plan for a League of Nations to be considered comes from Premier Lloyd George, of Great Britain. This is quite in consonance with what has been known in a very small circle close to the American delegates; that President Wilson plans to have European ideas come before the Congress in advance of his own.

American officials explain that Mr. Wilson's purpose is not only one of deference to European nations, which have sacrificed so much in the war, or out of deference to views of European statesmen, but that there is a technical advantage in having British and French plans until all others have been fully discussed, when they may be brought forward, probably to form a bridge by which agreements that may have developed may be dispelled.

Excludes All Except League
Mr. Wilson has told his colleagues that he has no personal pride of authorship in the plan for the league and is quite ready to accept any other plan of supporting some other nation's plan, rather than proposing one of his own, if he feels that procedure will best serve the common purpose.

Mr. Wilson will go ahead with his announced plan, but he will be ready to discuss the reducing of various views on the league of nations to a basis of agreement, while awaiting results from the international conference between Russian factions. He intends to adhere to his determination to hold all other plans secondary, including his own, until the Russian position is considered here as the first visible manifestation and realization of American and British accord on great international questions.

May Become League Basis
The solution of the Russian problem is considered here as the first visible manifestation and realization of American and British accord on great international questions.

It is understood that, inasmuch as the Supreme Council has accepted the American plan for the settlement of the Russian question, the British plan may form the foundation of the structure which the Peace Congress may erect to house the league of nations. Yet it is pointed out by observers here that this is a mere exchange of courtesy.

It is understood, though no official admission has been made, that the British plan for the creation of a league of nations is essentially identical with that which American experts formulated after close study of every promising available plan among the two scores which were presented.

Congress Meets Saturday
A plenary meeting of the full conference was announced for next Saturday when the plans of President Wilson and David Lloyd George, British Prime Minister, dealing with a League of Nations, will be the first order of business.

A delegation representing the League of the Rights of Men called on President Wilson yesterday afternoon. In a short conference with the President, they discussed the League of Nations.

M'CORMICK MAY HEAR RUSSIA
Paris, Jan. 23.—Vance McCormick, former chairman of the Democratic National Committee, appeared today to be the most likely choice for American civilian representative on the commission to be sent by the associated Powers to confer with Russian delegates at the Prince's Island.

WILSON LEADS ALLIES TO RECOGNIZE VARIOUS FACTIONS OF RUSSIANS

Allied Policy for Russia Is Officially Announced

Paris, Jan. 23.—The official communication on yesterday afternoon's session of the supreme council following the meeting of the Allied and Associated Powers and the Japanese representatives met at the Quai d'Orsay between 3 and 5:30 this afternoon and approved the proposal of President Wilson, which reads as follows:

"The single object the representatives of the associated Powers have had in mind in their discussions of the course they should pursue with regard to Russia has been to help the Russian people, not to hinder them or to interfere in any manner with their right to settle their own affairs in their own way."

"They regard the Russian people as their friends, not their enemies, and are willing to help them in any way they are willing to be helped. It is clear to them that the troubles and distress of the Russian people will steadily increase, hunger and privation of every kind become more and more acute, more and more widespread and more and more impossible to relieve unless order is restored and the conditions of labor, trade and transportation once more created, and they are seeking some way in which to assist the Russian people to establish order."

"They recognize the absolute right of the Russian people to direct their own affairs without dictation or interference of any kind from outside. They do not wish to exploit or make use of Russia in any way."

Representatives Invited
"In this spirit and with this purpose they have taken the following action:

"They invite every organized group that is now exercising or attempting to exercise political authority or military control anywhere in Siberia or within the boundaries of European Russia as they stood before the war just concluded, except in Finland, to send representatives, not exceeding three representatives for each group, to Princes' Islands, Sea of Marmora, where they will be met by representatives of the Associated Powers, provided in the meantime there is a truce of arms amongst the parties invited, and that all armed forces anywhere sent or directed against any people or territory inside the boundaries of European Russia as they stood before the war, or against Finland, or against any people or territory whose autonomy is in contemplation in the fourteen articles upon which the present negotiations are based, shall be immediately withdrawn and aggressive military actions cease."

"These representatives are invited to confer with the representatives of the associated Powers in the freest and frankest way, with a view to carrying out the wishes of all sections of the Russian people and bringing about a settlement of their affairs."

Continued on Page Four, Column Three

NEAR AGREEMENT ON EXCESS PROFITS TAXES

WASHINGTON, Jan. 23.—War excess profits taxes on corporations and the estate or inheritance tax section of the war revenue bill were considered today by the Senate and House conferees. Some of the managers said they had almost reached complete agreement on the important war excess profits section, but were in sharp disagreement on inheritance taxation.

REALTY MAN HELD ON FRAUD CHARGE

James W. Ponder, real estate broker, accused of wholesale frauds, with his clients as victims, was held in \$3000 bail for court by Magistrate Poncek this afternoon. Thomas J. Hooky, an assistant, was held in \$500 bail for court.

HOLDS DIVIDENDS EXEMPT FROM INCOME TAX

NEW YORK, Jan. 23.—United States Judge Julius M. Mayer decided in a test case today that stock dividends are not subject to Federal income tax under the income tax law of 1916.

CECIL ADVOCATES MAIN SOCIALISTS ELASTIC LEAGUE WIN A PLURALITY

Declares World Tribunal Get 164 Seats in German Assembly—Centrists Second With 88

INTERNATIONAL CITIES BERLIN STAYS CAPITAL

By the Associated Press
London, Jan. 23.—Lord Robert Cecil, who announced at Paris yesterday that he had submitted to the peace congress a draft of the British plan for the League of Nations, believes the world has not yet reached a stage at which an absolutely right system for the preservation of international peace can be set up, according to a Reuters dispatch from the French capital.

In discussing his idea of the form the league should take, Lord Robert says he thinks an international tribunal with absolutely binding powers is not practicable at present.

"The creation of nonrigid international machinery by which a council, by exerting influence toward conciliation may work, will be the main strength of future peace-makers," he said. "Such a body must, however, possess sufficient authority to be able to present surprise declarations of war and to compel disputants to accept delay during which forces of civilization may have time to try for a settlement."

States Are Independent
The interdependence of modern States has become so great that no nation can control its own affairs entirely without regard to the effects of its actions on other nations. It is important to proceed with the utmost respect for national sovereignty. At present certain international organizations such as ports and telegraphs are regulated by international agencies. Before the war we had the Danube commission, the Rhine convention and even international labor organizations.

International Cities
"It is easy to see that in future certain cities located on waterways will have to be under international control, which will guarantee free access to them. Some of the new States formed out of the Austro-Hungarian Empire, for example, cannot possibly have independent access to the sea. Switzerland is, according to newspaper dispatches, considering a plan to give her a free access to the Adriatic. Certain nations have a strong interest in having free access to Salonica, but it is out of the question for them to plan possession of that port. The most important example of this kind, of course, is that of the Dardanelles and the Bosphorus."

Chance for Conciliation
"These examples of international agencies which were necessary lead naturally to a new organization, the object of which will be the welfare of the nations of the world."

"Delay which can give opportunity for discussion and conciliation will be the main resource of the league in dealing with the Russian situation."

Continued on Page Four, Column Two

Secures Compromise of British and French Plans

RUSSIA MUST CONTROL ITSELF

Council Invites Muscovite Divisions to Present Conflicting Claims

MEET FEBRUARY 15 ON PRINCES' ISLANDS

Agreement Will Enable Entente to Withdraw Its Expeditionary Forces

By CLINTON W. GILBERT
Staff Correspondent of the Evening Public Ledger With the Peace Delegation in Europe

Paris, Jan. 23.—The heads of the nations gathered at the Peace Conference have reached a conclusion as to their Russian policy.

They have accepted President Wilson's proposal, which is substantially the same as Lloyd George's, for a conference of representatives of all the governments and military groups in any part of old Russia except Finland, to meet a commission representing the associated powers at Princes' Islands in the Sea of Marmora on February 15.

This ends all talk of intervention and looks to a compromise similar to that effected in the case of Poland.

It is the purpose to get together all Russian factions, even including the Bolsheviks, and harmonize their differences in order to reach a working agreement, thus enabling the Allies to withdraw their troops from Russia.

The conference expressly disclaims any aim to overthrow the Bolsheviks or any other faction, but merely desires to establish order and bring about peace in order to aid Russia economically.

Decision a Compromise
The decision is essentially a compromise between the extreme English position, announced in Lloyd George's note inviting the Allies to agree to seating the representatives of all the existing Russian governments in the Peace Conference and the extreme French position, which favors making war on the Bolsheviks.

The bringing about of this compromise was largely the work of President Wilson.

The result is a great victory for him, as the policy adopted is substantially the policy for which he has always stood since the beginning of Bolshevism in Russia.

Relief of economic pressure in Russia and assurance of aid if accompanied by a promise not to disturb the land reforms accomplished by the Bolsheviks is almost certain to lead to harmonizing the differences and to the establishment of a government in Russia representing all interests.

To Enter Parley Later
If the Prince's Island conference is thus successful Russia will be represented afterward at the Peace Conference and the peace which is established will include all Europe.

The announcement that Lloyd George's league of nations plan will be discussed at a full meeting of the Peace Conference on Saturday, together with the co-operation of England and America, is evidence of the drawing together of the Anglo-Saxon Powers at the Peace Conference.

Paris, Jan. 23.—(By A. P.)—Led by President Wilson, the Supreme Council of the great Powers yesterday moved to unite the factions of distracted Russia and bring them into the Peace Congress.

They unanimously adopted a proposition brought forward by President Wilson asking all the Russian factions, including the Bolsheviks, to meet the Allied and associated governments at Princes' Islands in the Sea of Marmora on February 15, the conferees' factions meantime declaring a truce and suspending all military operations.

Why French Conceded
While yesterday's official statement was silent on the question of the redemption of Russia's foreign debt, there is some reason to believe that through unofficial but powerful sources assurances have been conveyed that the Bolsheviks will receive from their threat to repudiate the debt in consideration of relief, through entente aid, of desperate economic conditions.

Continued on Page Four, Column Two

Continued on Page Fifteen, Column Three

Continued on Page Four, Column Two